



## Multinational enterprises and industrial relations: A research agenda for the 21st century

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# Multinational enterprises and industrial relations: A research agenda for the 21st century

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## Introduction

There is a critical need for fresh research into multinational enterprises (MNEs) because they 'disproportionately influence the direction of change' in the management of people (Batt et al., 2009: 474). There are around 82,000 MNEs in the world, involving more than 810,000 subsidiaries, employing approximately 77 million people and accounting for one-third of total world trade (UNCTAD, 2010). It is therefore unsurprising that MNEs can have significant effects on employment practices.

MNEs have significant potential to be a source of innovation in industrial relations policies and practices (e.g. Edwards et al., 2013; Walsh, 2001). However, they might also disrupt the status quo of the host context by attempting to remain rooted in their home country's national business system, especially on issues such as trade union recognition (Collings, 2008). The ability to impact industrial relations in different host countries varies from country to country depending on a range of factors including the power of the MNE and the permissiveness of the host context. There have been substantial research efforts that have considered such issues in Western contexts but less in emerging economies of China, India and Southeast Asia more generally. Research on industrial relations in the new economic superpowers of India and, in particular, China is quite sparse as is research focusing on MNEs operating in other 'transition economies' (Cooke et al., 2011; Matthews, 2006; Zhao et al., 2012). This is especially important given the changing profile of these countries as they move somewhat more towards market-based economics. For example, new legislation in China encourages collective bargaining at a time when there appears to be increasing levels of industrial unrest (Cooke and Zhan, 2013).

While it can be argued that there have been significant studies on industrial relations issues in MNEs (e.g. Almond et al., 2005; Lamare et al., 2013; Lavelle et al., 2010; Marginson et al., 2010), Collings' (2008) review piece suggests that they have received limited attention compared to human resource management (HRM) in MNEs, a point supported more recently

in the Australian context by McDonnell et al. (2011). He argues that a possible explanation is the neglect of such issues in the popular, more unitarist, North American scholarship which tends to dominate the scholarly literature. There is a strong case for redressing this imbalance, particularly given the economic and social significance of MNEs and the central role of industrial relations in determining firm productivity and profitability (Bowen and Elsea, 1997).

There is also wide scope for examining the interface between HRM and industrial relations and unions within MNEs (Collings, 2008). The examination and investigation of MNEs, their characteristics, treatment of workers and behaviour within national and institutional contexts is arguably best undertaken using an industrial relations approach (Morgan, 2001; Morgan and Kristensen, 2006; Wilkinson et al., 2014; Wood and Demirbag, 2012). We argue that industrial relations scholars are perfectly positioned to explore and analyse key issues around understanding institutional frameworks and how they change over time, understanding power and the endemic nature of conflict and analysis of work within wider political economy frameworks.

This special issue brings a collection of papers together that consider a range of 21st-century industrial relations issues in MNEs. The aim of this paper is threefold. First, we present a discussion of the key research on MNEs and industrial relations. Second, we discuss the eight papers in the special issue and their contribution to the industrial relations literature. Third, we propose a research agenda in response to the current gaps in the area of industrial relations and MNEs.

### **Research in the last 10 years**

There has been significant growth of research on MNEs undertaken by management and industrial relations scholars. This has culminated in a number of important special issues and journal articles. We examine the key emergent themes of this research. Morley and Collings (2004) in their introduction to a special edition of the *International Journal of Manpower* on contemporary debates and new directions in HRM in MNEs highlighted globalisation as a key debate of the time. They commented on two differing perspectives: the 'bleak house' approach which has elsewhere been described as the 'race to the bottom'. Proponents (e.g. Royle, 2000) argued that globalisation was leading to declining labour standards as MNEs seek out the lowest labour costs in the least regulated economies. In contrast, another group of authors (see, for example, Hirst and Thompson, 1999) suggested that globalisation was at a more positive juncture. Ten years later, empirical evidence suggests that both assessments were correct as we have seen both shocking exploitation in many areas, as typified by the Rana Plaza collapse in Bangladesh, and its consequences for work practices and supply chain corporate citizenship (ABC News, 2014). In contrast, we have also witnessed some innovative management practices by companies promoting diversity and who seek to retain their most skilled and talented staff, as the skills and more valuable (Le et al., 2013).

The themes that Morley and Collings (2004) identified as important or emerging are still relevant today. These included standardisation versus localisation of human resource practices – the global–local debate; the impact of the country of origin, in particular the varieties of capitalism debate; following on from this, the ‘Americanisation’ of industrial relations, in particular the tendency of US MNEs towards union avoidance and individual employment contracts (Almond and Ferner, 2006; Quintanilla et al., 2008); the debate about convergence or divergence of employment relations systems and practices across nation states (Marginson and Meardi, 2010); knowledge transfers within MNEs; the impact of cross border mergers and alliances on HRM; the international division of labour and the development of global supply chains and their implications for HRM practices (Edwards and Kuruvilla, 2005); international expatriate assignments and transnational teams (McDonnell et al., 2012); HR issues in newly industrial countries and the importance of strategic HRM.

These debates have continued in the literature. Brewster and Suutari (2005) in their introduction to a special issue of *Personnel Review* on ‘Global HRM – aspects of a research agenda’ also focus on the standardisation versus localisation debate in particular in relation to strategic international HRM. In their issue, the papers focus largely on managerial concerns in MNEs including global leadership development competencies and methods, global careers and international knowledge and management transfers. However, Scullion et al. (2007) in their introduction to a special issue of the *Human Resource Management Journal* on ‘Emerging themes and contemporary debates in international HRM in the 21st century’ comment on the changing global environment. Rather than just exploring HRM issues in emerging economies, they comment on the changing nature of the global economic landscape, in particular the growth of economies of India, China and Eastern Europe who are now global players in their own right and not just destinations for foreign direct investment (FDI).

Brewster et al. (2008) based on survey evidence of HRM policies in MNEs argue that debates about global and local or convergence and divergence issues are limited and that in fact many companies are subject to dualistic pressures. What MNEs can and cannot do is based on the relative strength of competing forces. In particular, managers are constrained by context and often have a range of practices moulded by institutionally embedded opportunities and constraints. Context matters, and that means insights from the discipline of industrial relations is needed because it has much to offer: the level of

power and conflict is more sophisticated; and the fundamental understanding of the need for trade unions deeper (Collings, 2008). Industrial relations scholars have contributed and continue to contribute substantially to academic and practitioner understanding of how context (e.g., national, cultural, institutional and geographic) impacts the operation of businesses and the management of workers.

In practice, Collings (2008) argues that trade unions have failed to challenge the power of MNEs through collective bargaining. He also argues for future research in regional varieties in industrial relations practices; more empirical studies in emerging markets; exploring industrial

relations challenges in small and medium-sized enterprises and the challenges in industrial relations in international joint ventures. Certainly, in the last few years as global capitalism lurches into its next conjuncture influenced by the global financial crisis (GFC), we have seen MNEs and their industrial relations systems under pressure (Boyle and McDonnell, 2013; McDonnell and Burgess, 2013). This special issue includes a number of papers that examine industrial relations and union responses post GFC. In recent years, we have seen considerable growth of empirical studies into industrial relations and HRM practices of MNEs. Some of these have been based on data from the Euronet-Cranfield (Cranet) surveys of HRM (Fenton O'Creevy et al., 2008; Gooderham et al., 2006), but others have emerged from the INTREPID group of researchers, as well as other scholars who have focused on a range of issues including the transfer of employment relations practices of MNEs from home to host countries (Almond et al., 2005; Ferner et al., 2005; Vo and Rowley, 2010); employee voice and consultation (Meardi, 2007; Lavelle et al., 2010; Marginson et al., 2010; Sablok et al., 2013); HR structures in MNEs (Ferner et al., 2011) and pay and performance practices of MNEs (Ferner et al., 2012).

There is also an increasing number of studies into MNEs and industrial relations in emerging or developing economies, for example in Vietnam (Collins, 2011; MacIntosh, 2013; Vo and Rowley, 2010), in China (Zhao et al., 2012), in India (Kumar and Prasad, 2013), across Asia (Schaaper et al., 2013) and in the former Eastern Europe (Meardi, 2006). Moreover, there is also an increasing amount of research into MNEs from developing countries operating in both developed (for example South Korean MNEs in the UK, see Glover and Wilkinson, 2007 and Chung et al., 2012; Chinese MNEs in the UK, see Edwards and Zhang, 2003 or Chinese MNEs in Australia, see Huang, 2011) and developing countries (for example Taiwanese MNEs in China and Vietnam, see Chan, 2011; Chan and Wang, 2004/2005; MacIntosh, 2013). This research has examined the substantial changes in the industrial relations landscape and challenges to many traditional assumptions regarding the drivers of strategic choice of companies; the structures and nature of worker organisation; relationships between employers, employees and unions; and the impact of history and culture. This special issue contains two papers that specifically contribute to further our understanding of some of these important developments. For example, Cox's paper (in this special issue) examines employee and union responses to Asian MNEs' working conditions in the Vietnamese textile industry, while Zhu's paper (in this special issue) investigates Chinese MNEs' responses to trade unions in host countries. We are currently on the cusp of a truly global research agenda as we see industrial relations scholars from an increasing number of countries taking up the challenge of exploring the nature of these developments.

### **Papers in this special issue**

The papers in this special issue reflect some of the aforementioned recent research developments of industrial relations in MNEs. These papers examine the operation and diversity of MNE operations across the globe including North America, Central and South America, Western and Eastern Europe, Asia and the Asia Pacific. The first paper, by Gunnigle, Pulignano, Edwards, Belizon, Navrbjerg, Olsen and Susaeta, provides an insightful discussion of the theoretical background on critical current research issues and challenges pertaining to industrial relations in MNEs. The authors present a concise review of scholarship to date on

industrial relations in MNEs using INTREPID data. The paper develops a research agenda for future work using the INTREPID data. This is an important paper because it highlights some of the most pressing industrial relations issues that need to be examined. The paper offers valuable insights into the future uses of the INTREPID data to examine some of the most critical industrial relations challenges of our time and identifies issues that are relevant to the subsequent papers in this volume.

The second paper, by Gooderham, Navrbjerg, Olsen and Steen, challenges the industrial relations literature that emphasizes the commonalities between the Danish and Norwegian labour market systems. Using a sample of 203 firms in Norway and Denmark which encompass both indigenous subsidiaries of foreign MNEs and domestic MNEs, Gooderham et al. investigate how employers in MNEs in Denmark and Norway communicate with employees on sta

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than in Norway. Gooderham et al. argue that indigenous firms operating in Denmark will have greater insight into the normative and cognitive aspects of flexicurity than their foreign counterparts, indicating that they are more likely to undertake institutional entrepreneurialism than their foreign-owned counterparts. Importantly, this paper challenges the widely held view of a common Nordic model.

The third paper, by Levesque, Bensusan, Murray, Novick, Carrillo and Gurrera, examines the complexity around how MNEs adapt their labour relations practices to host-country environments. Levesque et al. argue that MNE subsidiary industrial relations policy in host-country environments is influenced by multiple and competing power-relationships within the MNE and within the host environment. To examine this argument, the authors use a three-country comparison involving Argentina, Canada and Mexico to better understand how management and worker power impacts MNE subsidiary industrial relations. Levesque et al. report that a policy of strong engagement with trade unions requires the presence of actors that can mobilise power resources. In cases where both management and workers have power resources, subsidiaries are more likely to develop a policy of strong engagement with trade unions.

The fourth paper, by Bartram, Boyle, Stanton, Sablok and Burgess, examines performance and pay management using a representative sample of 211 MNEs operating in Australia. They argue that while overall these MNEs use a wide range of sophisticated performance management and reward practices, there are important country of origin, industry and trade union e

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the utilisation of these practices between the managers and the largest occupational group. However, companies that have a higher usage of HRM-shared services and global HR integration are more likely to utilise performance and reward practices for both managers and employees. Bartram et al. report that there is greater likelihood of the use of performance management and reward systems where there is low union recognition for the purpose of collective bargaining for the largest occupational group. In contrast, they find greater likelihood

of the use of performance management and reward for managers, particularly forced distribution, when MNEs recognise unions.

The fifth paper, by Zhu, explores Chinese MNEs' responses to trade unions in host countries. Using an in-depth case study analysis of six Chinese MNEs concerning their policies on union representation and union-management relations, Zhu reports that Chinese MNEs' responses to host-country unions are primarily shaped by home and host institutions, rational choices made by managers and organisational learning. Although rational choice and institutional theory are important frameworks to understand MNE behaviour, the key message of the paper rests on the importance of organisational learning, particularly in an analysis of industrial relations practices in MNEs from emerging markets.

The sixth paper, by Dekocker, uses a cross comparative case study of four multinationals to examine how complementary sub-national levels (i.e. regional governments, industry sector and inter-firm relations) impact subsidiary discretion on vocational training policies in MNE subsidiaries operating in Belgium. The author argues that the sub-national level only affects MNE discretion on vocational training policies when two conditions are met: reinforcing or compensating sub-national levels are present; and in cases where multinationals consider subsidiary vocational training systems as contributing to their competitive position.

The seventh paper, by Vo, examines the grassroots pressure on the transformation of industrial relations in the Vietnamese garment and textile industry dominated by foreign-owned MNEs. Using a qualitative approach, the authors report on data from several Asian MNEs and argue that, despite ardent attempts by Vietnamese unions to transform themselves, they have had limited success in protecting wages and working conditions of workers. This lack of success stems from limited financial resources, time and expertise. Given the cost minimisation focus of many organisations in the textile and garment industry, workers have started to take aggressive action to protect and improve their labour rights through the formation of unofficial 'unions' to protest against infringements of their labour rights (e.g. low wages and long working hours). Through an examination of a series of wildcat labour strikes, this paper reveals that workers are not afraid of the consequences of their actions, as they have bypassed trade union leaders and have gained significant power to gather thousands of workers for impromptu strikes. This has marked a shift from rights-based disputes to interest-based disputes in Vietnam. Community pressure created by wildcat strikes signals the ineffectiveness of the existing institutional framework and has led to the legalisation of de facto practices, such as legalising the rise of minimum wages in industries dominated by foreign MNEs.

The final paper, by Poutsma, Moerel and Ligthart, compares broad-based individual performance-related pay practices (PRP) used by multinational enterprises in Central and Eastern Europe (CEE) and Western Europe. More specifically, the authors examine the determinants of industrial relations that may account for convergence or divergence of the adoption of PRP practices. Poutsma et al. examine the dominance effect of MNEs

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The authors report that US MNEs compared with other MNEs did not have stronger influence over the use of PRP and that the nationality of the MNE was not a major predictor of the use of PRP. Moreover, the type of market economy did not moderate the impact of the nationality of MNEs on PRP. MNEs appear to develop more broad-based individual PRP as a universal strategy and decentralised firm-level bargaining supported the adoption of PRP. In contrast, unionisation reduces the use of PRP. This is a valuable paper as it contributes to a central debate in the international industrial relations and HRM literature – standardisation versus localisation.

### **An emerging research agenda**

The diversity of the research agenda on employment relations within MNEs is captured in this collection at a number of levels: by home and host country, by sector, by research methodology and by the substantive research questions. It seems that in all sectors, and globally, MNEs have the potential to impact on work, working conditions and employee engagement, directly and indirectly. This issue provides an entree into the research agenda that could be developed in this area.

In developing a future research agenda, we advocate both a leap back to the past and building on some of the industrial relations basics to generate greater cross disciplinary research, whilst at the same time adopting new and innovative theoretical approaches and more complex research designs. Following Kaufman (2008), we argue that the employment relationship should be conceptualised in the broadest terms, albeit with a stronger integration of ‘all social science fields and greater cultural, national and gender inclusiveness – and make the employment relationship and all forms of labour problems again the core subject and organising concept for teaching and research in the field’ (p. 335). Underpinned by their understanding of the complexities and contradictions of the employment relationship, industrial relations scholars are well positioned to explore and analyse the MNEs, their characteristics, behaviour and interactions with and across institutional contexts. Industrial relations scholarship o

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they relate across jurisdictions. Industrial relations researchers also understand power and the endemic nature of conflict, as well as situating research on work in the wider political economy. We build on insights developed through the papers in this special issue.

Armed with this rich intellectual heritage, we call for research that examines MNEs and their role in shaping, modifying or supporting employment regulations systems within di

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institutional contexts. To this end, we suggest the following critical research areas.

First, we note that a recurring theme across the papers in this special issue is the direct and indirect application of institutional theory to the study of MNEs and their employment practices. Djelic and Quack (2003) note that institutional theory provides a sound theoretical



foundation for the investigation of activity in, and by, MNEs. The use of such theorising evident in this special issue has again proved fruitful in the employment relations context. However, while macro-analyses of ‘country of origin effects’ or the institutional environments’ have convincingly demonstrated the impact on a variety of employment practices in MNEs, the need for more nuanced research has also been established. In keeping with convention, each paper concludes with an emphasis on what was found (i.e. the contribution); however, we now encourage future researchers to reflect on areas where these papers could not contribute. For example, we encourage researchers in the industrial relations field to further explore more precisely when and the degree to which MNEs face isomorphic pressure from the host environment or constituents within it. Echoing Kostova et al.’s (2008) call for scholars examining the activities of MNEs to reflect on the degree to which local constituents value and/or appreciate what the MNE brings to the host environment and the consequences for their support of it, we call on industrial relations researchers to consider the degree to which host-country actors such as unions discriminately assess the value of various MNE practices. For example, Levesque et al.’s and Bartram et al.’s papers in this issue both flag the complexity of extrapolating the influence of local unions on MNE practice. Bartram et al.’s paper even flags a difference in the adaption of home country practices based on different categories of home-country influences to a far greater degree than the majority of the workforce – the largest occupational group. Furthermore, while contributions in this issue shine further light on ‘how’ MNEs behave in multiple contexts, the question of how this behaviour evolves and/or when pressure from the home or host environments led to the behaviour recorded is yet to be fully answered. Gooderham et al.’s findings in this issue suggest that institutional opportunism may occur when firms’ understanding of normative constraints (or lack thereof) encourages them to change practice. For foreign MNEs, the timing of when home or host pressures predict practice warrants further investigation as does the degree to which certain practices are more sensitive to evolution over time. In-depth and longitudinal study designs could make a considerable contribution in this regard.

We would argue that industrial relations scholars are uniquely positioned to explore the subject of legitimacy so central to institution-based theorising. While the papers in this issue debate and empirically explore MNEs’ efforts to replicate, home and reflecting on pressures for host-country legitimacy, the ‘process of legitimation’ of MNE home-country practices (Kostova et al., 2008), or the power of local actors such as unions to resist it, is ripe for future research. Moreover, we also call for greater research to unpack MNE engagement of unions, as well as union avoidance (Donaghey et al., 2012; Gunnigle et al., 2009). This area of research is particularly important given the growth of sophisticated union avoidance strategies used by MNEs such as ‘double breasting’ (Collings et al., 2008), or fashioning a non-representation.

Second, we advocate the need for further studies that examine the strategic behaviour, management and industrial relations practices and their effects on MNEs in different countries in different countries in di recent years (e.g. Chinese MNEs operating in developing countries in Southeast Asia and

Africa), there is still much to be understood (Chan, 2011; MacIntosh, 2013; Vo and Rowley, 2010; Zhu in this issue). These emerging studies raise questions around the applicability of traditional varieties of capitalist perspective and contribute to advances beyond this initial categorisation (Hall and Soskice, 2001). It is clear that a number of developing countries do not easily fit into existing theoretical models. They are neither liberal market economies as traditionally understood nor can they be classified as coordinated market economies because their histories and cultures bring new perspectives to the global mind-set and home-country imperatives. Also, in the Chinese context, the strong ties between the Chinese government and Chinese MNEs bring a further dimension into corporate governance and strategic decision-making. State-owned MNEs, especially from China, are emerging in many sectors and such companies might be less influenced by private stakeholders and the profit motive and more influenced by other drivers such as the priorities of the nation state (The Economist, 2012). Furthermore, studies focusing on emerging nations, in particular those of transitional economies, raise a number of questions in relation to the ability of the industrial relations frameworks and trade unions in these countries to adapt to the practices of foreign-owned enterprises (e.g. Cooke and Lin, 2012). This is likely to vary due to the different histories and cultures of such economies. For example, Chan and Wang (2004/2005) comparing strike action in the Chinese and Vietnamese export industries find quite different histories and cultures in these countries, not only due to different histories

of workers to organise both formally and informally. They argue that in China the state takes a negative view of informal strike action and is ready to use the full force of its repressive apparatus in order to retain and protect FDI. In Vietnam, on the other hand, wild cat strikes in the export industries have grown exponentially (Chi, 2013; Clarke et al., 2007; Van Gramberg et al., 2013) with suggestions that the Vietnamese government turns a blind eye to such disputes as long as they are in the FDI sector and is more likely to intervene in strikes in state owned enterprises (SOEs) to protect its own interests. While there is a growing interest in the activities of MNEs from developing economies, empirical research remains relatively scarce. For example, the convergence versus divergence debate around MNE practices in the broader literature is in its infancy in the context of MNEs from developing countries. While authors have begun to raise important questions relating to the HR practices of developing-economy MNEs (Chang et al., 2007; Tithe et al., 2012), the host (developed) country practices of this new breed of MNEs has not been examined through an infrared lens. However, from an industrial relations perspective, their activities perhaps warrant special attention as they emerge from home environments with labour markets characterised by greater flexibility and fewer protections than developed economies into which they invest (Sharma, 2006; Xiang, 2001). Indeed, Indian and Chinese firms investing in developed countries have become global players in part consequent to home country advantages relating directly to labour. However, while some authors have begun to reflect on the disadvantages they face as latecomers to developed markets (Gaur et al., 2011; Tithe et al., 2012), the question of how they might leverage comparative advantages from home (such as those relating to the cost, availability and flexibility of labour) is less well researched. Examples such as those from the Indian IT industry are typical and designed to avoid host (developed) country industrial relations challenges, e.g. where Indian IT MNEs practice an 'onsite-offshore' model

work is kept in the home country, while clients are serviced in host-country markets with a minimal local workforce (Agrawal et al., 2012; Kathpalia and Raman, 2014). Such practices allow developing economy MNEs to leverage cost advantages from their home environment

and have palpable implications for value they add to the host country from an employment perspective. Industrial relations scholars in particular will need to uncover the implications for host-country labour, the scale of such practices globally and perhaps also the implications for policy makers seeking to attract FDI from developing economy MNEs. Understanding national effects on MNE behaviour and associated practice relations researchers need to also increase attention towards unpacking the impact of sector on industrial relations and the management of workers (Bechter et al., 2012). This challenge has been laid down most succinctly by Bechter et al. (2012) but so far has not been sufficiently addressed by industrial relations scholars. Bechter et al. (2012: 185), based on analysis of nine different sectors across 27 European countries as deeply as they do across countries'. Bechter et al. (2012) argue that in comparative industrial relations research, attention to the national level has often come at the cost of neglecting the sector and sectoral effects on industrial relations practice of organisations. Further research and theorising is required to more completely understand the interaction between the national and sector level contexts and associated impact on industrial relations and management practice of both indigenous organisations and MNEs. Linked closely with sector are the nature of the workforce and the growth of knowledge workers in the increasingly technological and digital economy. In particular, the creative industries consist of a highly skilled and talented workforce who on the one hand could be seen as employees or entrepreneurs who could be seen to be in a strong bargaining position due to the nature of their individual assets. On the other hand, the individualisation of work in these industries often leads to short-term precarious employment, poor wages and conditions and workers that are increasingly difficult to organise (Banks

A third key issue is the massive growth in labour migration in and between countries across the world and the implications of this for MNEs. Internal labour migration is one key area. For example, in China, rural migrants drawn to major industrial zones to produce goods for Western markets have very few rights and often live in large dormitories on site at the workplace – creating a compliant workforce that has been easy to exploit and traditionally hard to organise (Chan, 2011). In contrast, in Vietnam internal migrants are not discriminated against to the same extent and workers are not forced to live in company dormitories, allowing them some independence and a greater ability to organise and more capability to take direct action to protect and extend their rights. This does not mean that Vietnamese workers are not affected by the bottom'. Despite greater freedom to organise, Arnold (2012) argues that the impact of globalisation has led to a growing precarious and largely unskilled workforce. MNE industrial relations practice not only affects pay and conditions but treatment of the workforce (Chan, 2011; MacIntosh, 2013). Global labour migration is also important and can take a number of forms. These include agency labour such as workers from poor countries like Bangladesh, India and the Philippines being recruited on often predatory labour contracts to work in rich Middle Eastern countries (Connell and Burgess, 2013), Chinese workers recruited by third parties to work on large construction projects in Africa (Cooke, 2014) and skilled professionals such as nurses and doctors leaving poor countries to work in richer third world countries (Kabene et al., 2006). Such developments can have a number of outcomes, including massive exploitation of vulnerable workers in the Middle East, lack of opportunities for African workers as imported Chinese labour takes the better skilled jobs and

a drain of much needed healthcare workers in poorer countries. The trade union response has been varied. For example, in Australia the use of 457 temporary visas to cope with a skilled shortage led to contention in the Australian parliament leading up to the 2013 Federal election as unions argued that such workers are open to exploitation due to poorer wages and conditions (Connell and Stanton, 2014). Greater research is needed to unpack and more completely understand the complex issues surrounding immigrant workers, how to protect their employment rights and organise and improve the utilisation of the skills and qualifications they actually possess. Underlying many of these developments is the growth of global supply chains and outsourcing, meaning that many of the leading fashion or electronics brands might be owned by well-known MNEs; however, they are produced by a variety of subcontractors in a number of poorer countries by an often exploited workforce. In recent years, we have seen scandals around Foxconn, who produce the iPad in China where young workers were committing suicide (Deng, 2014), in Cambodia in the textile industry, where companies such as NIKE and GAP had their products made by child labour, and most recently in the Rana Plaza collapse (ABC News, 2014). Such developments raise two important areas worthy of attention – the first is the growth of consumer movements and community building by trade unions to bring global attention and outrage to create change. Such actions have led to companies developing corporate social responsibility policies, often to protect their reputation and bottom line, but also governments and companies have developed codes of conduct that can be policed (Hoang and Jones, 2012). The second is the response of workers and their supporters in using social media such as YouTube, Twitter and other tools to organise, promote and ‘name and shame’. As Panagiotopoulos (2012) argues, social media has great potential for use by trade unions and can be researched by traditional academic methods such as surveys, case studies and interviews. However, its use in a mass mobilisation campaign is harder to capture as the participants are often anonymous, confidentiality is essential and the phenomena might be brief and intense. We need to consider how we capture, examine and make sense of such developments and what theoretical lens we use in so doing.

Fourth, we call for industrial relations scholars to use greater cross-disciplinary approaches and methodologically rigorous research designs in their study of MNEs. Greater use of innovative theoretical approaches informed by cross-disciplinary research collaboration may offer new insights into old, as well as emerging, challenges. Moreover, extending and developing deep partnerships with industry, government and NGOs and the union movement will also facilitate developments in industrial relations research. We argue that examining the complex relationships between the actors of the employment relations within MNEs using a multi-level approach is a useful way to unpack the different perspectives on the institutional context, the organisation and the workplace level. Using these research designs is valuable to better understand the complexities of organisational, political and contextual realities. Industrial relations researchers must consider using more complex research approaches such as experimental research designs with training and organisational change interventions and studies that use panel data and longitudinal designs to assess the impact of HRM and industrial relations policies on MNE, employee and community outcomes. Having said this, we must also caution that comparative industrial relation research is challenging and suffers from many limitations.

put it succinctly: ‘comparative analysis is essential but perhaps impossible’ (p. 18). Moreover,

there is also a clear need for further study into the interaction of HRM and industrial relations (e.g. unions, union recognition and union agreements) implementation and operation using multi-level research designs (both qualitative and quantitative) and studies that differentiate between occupational groups and their interactions. More precisely, we need to better understand how the HRM system is translated, understood and transmitted within and across the organisational hierarchy (e.g. senior management, middle management, line management, clinicians and other hospital workers), particularly in MNEs and the interaction with industrial relations practices and impact on people within the organisation.

## Conclusion

This special issue makes an important contribution to our understanding of industrial relations in MNEs operating across different parts of a range of critical issues and challenges in contemporary industrial relations from the perspectives of both capital and labour. We call for research that is both theoretically and methodologically rigorous underpinned by a cross-disciplinary approach to examine some of the most important economic, political and social challenges of our time. Industrial relations scholars are best poised to examine emerging economy MNEs operating in developing and developed countries; increasing complex supply chains and the labour rights of immigrant workers; the role of trade unions in the protection of the workers in a truly global economy and how unions can use the latest developments in technology to organise, protect and strengthen employment rights.

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